

CITY AUDITOR'S REPORT

MONDAY, JULY 23, 2012

2012 ADMISSION FEE/TAX

WE RECEIVED CHECKS IN THE AMOUNT OF \$8,552.63 FROM THE READING PHILLIES FOR JUNE'S ADMISSION FEES/TAXES. THE SOVEREIGN CENTER & PERFORMING ARTS CENTER EVENT FEES TOTALLED \$13,731.45 FOR JUNE SALES. EVENTS INCLUDED IN THESE RECEIPTS ARE FROM PERFORMANCES BY EXPRESS ARENA FOOTBALL, BONNIE RAITT, DANCE EXPRESSIONS, AND EARTH,WIND & FIRE, JUST TO NAME A FEW. ALSO THIS MONTH, WE RECEIVED \$2,465.82 FROM READING ROYALS HOCKEY FOR JUNE'S SALES.

THE 2012 BUDGET LIST \$504,000 AS EXPECTED REVENUE.

THE FOLLOWING CHARTS LIST ANNUALLY (2008-2012) THE ADMISSION FEES BY SPORT/VENUE:

ADMISSION FEE/TAX	2008	2009	2010	2011	JUNE 2012
READING PHILS -1 ST ENERGY STADIUM	\$85,828.62	\$94,788.30	\$98,219.57	\$104,498.69	\$45,150.92
READING ROYALS - SOVEREIGN CENTER	\$100,129.25	\$55,054.89	\$61,494.30	\$60,719.57	\$32,069.70
OTHER- SOVEREIGN CENTER	\$236,337.38	\$232,589.23	\$252,268.74	\$117,376.12	\$93,261.49
PERFORMING ARTS CENTER	\$132,528.70	\$99,602.64	\$100,701.62	\$140,860.56	\$58,432.95
TOTAL REVENUE	\$554,823.95	\$482,035.06	\$512,684.23	\$423,454.94	\$228,915.06
BUDGETED REVENUE	\$550,000.00	\$600,000.00	\$450,000.00	\$480,000.00	\$504,000.00
OVER/UNDER BUDGET	\$4,823.95	-\$117,964.94	\$62,684.23	-\$56,545.06	

REAL ESTATE TAXES COLLECTED 2010-2012 (THROUGH 6/30/12)

THE FOLLOWING CHART ILLUSTRATES CITY REAL ESTATE TAXES COLLECTED IN 2010 THROUGH 06/30/12 AND BUDGETED AMOUNTS FROM 2010-2012.

SEVERAL ITEMS OF NOTE: (2010) TAX RATE 11.945 MILLS (2011-12) 14.334 MILLS

- IN 2010, **\$183,433 LESS** WAS COLLECTED THAN BUDGETED.
- IN 2011, **\$356,942 MORE** WAS COLLECTED THAN BUDGETED
- CURRENT TAXES COLLECTED IN 2011 WERE **\$2,680,337 MORE** THAN CURRENT 2010 TAXES.
- PRIOR TAXES COLLECTED IN 2011 WERE **\$144,735 MORE** THAN PRIOR 2010 TAXES.
- PENALTY & INTEREST IN 2011 WAS **\$17,625 MORE** THAN IN 2010.

PROP. TAXES	2012 BUDGET	2012 ACT 6/30	2011 BUDGET	2011 ACTUAL	2010 BUDGET	2010 ACTUAL
DISC.	-215,000	-296,279	-215,000	-290,462	-200,000	-213,109
CURR. YR.	18,126,332	15,717,385	17,841,208	18,287,998	15,771,240	15,607,661
PRIOR YRS.	1,000,000	592,105	1,200,000	1,149,190	1,000,000	1,004,455
PEN. & INT.	140,000	99,137	140,000	176,425	170,000	158,800
TOTALS	19,051,332	16,112,348	18,966,208	19,323,151	16,741,240	16,557,807

COMPARISONS AS OF 6/30/XX

PROP. TAXES	2012 BUDGET	2012 ACT 6/30	2011 BUDGET	2011 ACT 6/30	2010 BUDGET	2010 ACT 6/30
DISC.	-215,000	-296,279	-215,000	-290,462	-200,000	-213,109
CURR. YR.	18,126,332	15,717,385	17,841,208	15,492,745	15,771,240	14,178,428
PRIOR YRS.	1,000,000	592,105	1,200,000	827,353	1,000,000	577,784
PEN. & INT.	140,000	99,137	140,000	103,588	170,000	86,085
TOTALS	19,051,332	16,112,348	18,966,208	16,133,224	16,741,240	14,629,188

THE ABOVE-MENTIONED CHART ILLUSTRATES CITY REAL ESTATE TAXES COLLECTED AS OF JUNE 30TH (FROM 2010 TO 2012) AND BUDGETED AMOUNTS FROM 2010-2012.

SEVERAL ITEMS OF NOTE:

- WE ARE AT AN **86.7%** CURRENT BUDGETARY COLLECTION RATE AS OF 6/30/12 COMPARED TO AN **86.8%** RATE AS OF 6/30/11 AND AN **89.9%** RATE FOR 6/30/10.
- AS OF 6/30/12, CURRENT YEAR COLLECTIONS ARE **\$224,640 MORE** THAN IN 2011.
- AS OF 6/30/12, PRIOR YEARS COLLECTIONS ARE **\$235,248 LESS** THAN IN 2011.
- AS OF 6/30/12, PENALTY & INTEREST IS **\$4,451 LESS** THAN IN 2011.
- AS OF 6/30/12, DISCOUNTS ARE **\$5,817 MORE** THAN IN 2011.
- AS OF 6/30/12, TOTAL COLLECTIONS ARE **\$20,876 LESS** THAN IN 2011.

REAL ESTATE TRANSFER TAX – 1/1/2008 TO 06/30/2012

THIS IS AN UPDATE ON THE REAL ESTATE TRANSFER TAX RECEIPTS SINCE I LAST REPORTED IN MY JUNE 25, 2012 REPORT. THIS TAX WAS 1% ('02), 1.5% ('03), 2% ('04-'05), AND 3.5% FOR ('06-'12).

THE FOLLOWING CHART ILLUSTRATES ACTUAL DATA FROM 01/2008 - 06/2012. IN JUNE 2012 THERE WERE 150 REAL ESTATE TRANSFER TRANSACTIONS, OF WHICH 93 WERE TAXABLE TRANSACTIONS. THE CITY'S PROCEEDS IN JUNE TOTALLED \$191,760.76. THE CURRENT 2012 BUDGET LISTS \$2,000,000 AS EXPECTED REVENUE.

	2012	2011	2010	2009	2008
January	88,765.23	90,044.35	159,017.30	148,961.51	652,118.37
February	260,520.16	135,391.03	106,687.67	142,169.66	228,471.03
March	151,719.15	214,724.17	229,645.70	185,351.64	249,460.68
April	142,353.83	156,823.78	393,268.60	258,946.66	546,640.28
May	178,896.46	174,829.49	384,978.30	242,328.73	392,206.10
June	191,760.76	221,457.20	349,449.25	204,198.52	352,496.09
July	?????????	121,372.42	222,286.60	182,852.57	267,767.04
August	?????????	179,026.81	185,037.44	189,488.42	371,358.83
September	?????????	187,496.67	128,921.23	301,455.52	279,643.32
October	?????????	255,432.51	204,050.03	273,838.88	236,179.13
November	?????????	287,145.90	240,401.03	214,016.65	268,455.35
December	?????????	208,991.89	209,455.28	232,908.94	158,499.81
JAN-JUNE	1,014,015.59	993,270.02	1,623,046.82	1,181,956.72	2,421,392.55
Entire Year	?????????	2,232,736.22	2,813,198.43	2,576,517.70	4,003,296.03
Budget	2,000,000.00	2,750,000.00	2,500,000.00	5,000,000.00	7,215,868.00
Over Budget	?????????	<517,263.78>	313,198.43	<2,423,482.30>	<3,212,571.97>

THE FOLLOWING CHARTS LISTS THE TOTAL NUMBER OF MONTHLY REAL ESTATE TRANSFER TRANSACTION MINUS NON-TAXABLE TRANSACTIONS TO ARRIVE AT TAXABLE TRANSACTIONS. FOR EXAMPLE, IN JANUARY 2012 THERE WERE 108 TRANSACTIONS MINUS 36 NON-TAXABLE TRANSACTIONS, WHICH LEAVES 72 TAXABLE TRANSACTIONS.

	2012	2011	2010	2009	2008
J	108-36=72	101-44=57	145-54=91	123-55=68	213-67=146
F	103-36=67	126-49=77	103-37=66	137-44=93	190-51=139
M	179-56=123	144-43=101	212-67=145	167-47=120	174-47=127
A	159-41=118	121-31=90	193-59=134	163-54=109	282-62=220
M	160-35=125	168-52=116	208-73=135	169-40=129	225-46=179
J	150-57=93	175-39=136	185-51=134	171-60=111	213-56=157
J		127-48=79	149-44=105	161-62=99	201-48=153
A		153-39=114	161-55=106	141-48=93	195-53=142
S		141-40=101	114-31=83	137-39=98	183-50=133
O		181-52=129	201-72=129	219-67=152	184-64=120
N		149-31=118	120-33=87	175-65=110	156-55=101
D		172-61=111	153-45=108	163-44=119	134-39=95
T		1758-529=1229	1944-621=1323	1926-625=1301	2350-638=1712

REAL ESTATE TRANSFER TAX -\$1 MILLION + PROPERTIES 2012

IN JUNE 2012, ANOTHER PROPERTY WAS SOLD IN READING IN EXCESS OF \$1,000,000. THE TOTAL NUMBER OF \$1 MILLION + PROPERTIES SOLD SO FAR IN 2012 IS TWO (2). BOTH ARE COMMERCIAL PROPERTIES AS OPPOSED TO RESIDENTIAL PROPERTIES. IN 2012, THE TWO (2) PROPERTIES TOTAL SALES PRICE WAS \$5,000,000, THUS RETURNING \$175,000 IN REAL ESTATE TRANSFER TAXES.

DATE	PROPERTY ADDRESS	SALE PRICE	RATE 3.5%	TAX AMOUNT
02/29/12	W. Perry Street	\$4,000,000	3.5%	\$140,000
06/14/12	229 Washington St.	\$1,000,000	3.5%	\$35,000
total		\$5,000,000	3.5%	\$175,000

- IN 2011, THERE WERE FIVE (5) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2010, THERE WERE SIX (6) PROPERTIES SOLD IN EXCESS OF \$1 MILLION.
- IN 2009, THERE WERE ZERO (0) PROPERTIES SOLD IN EXCESS OF \$1 MILLION.
- IN 2008, THERE WERE FOUR (4) PROPERTIES SOLD IN EXCESS OF \$1 MILLION.
- IN 2007, THERE WERE TWELVE (12) PROPERTIES SOLD IN EXCESS OF \$1 MILLION.